Annual Report on the Working of the Local Audit Department, Bombay, 1935-36

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Bombay, 18th September 1936.

To

THE ACCOUNTANT GENERAL,

Bombay.

Sir,

I have the honour to submit the 29th Annual Report on the working of the Local Audit Department during the year 1935-36 framed on the lines indicated in Government Resolution, General Department, No. P. 42 (3), dated 24th November 1927 and Government Memorandum No. P. 42-(2)-13033-A, dated 24th February 1931. A parallel report on the accounts of Local Bodies in Sind has been separately prepared this year, as Sind has become a separate Governor's Province from the 1st April 1936.

2. *Office-bearers.*—The late Mr. S. K. Mehta continued in charge of the Department till 8th September 1935, when he was succeeded by Mr. T. S. Pillai, who held charge till I succeeded him on 18th February 1936. Rao Saheb D. N. Nagarkatti continued as Assistant Examiner throughout the year.

3. *Personal Inspections.*—The successive Examiners toured for 143 days and inspected 122 offices during the year.

4. *State of Work.*—The year commenced with 13 audits in arrears representing 60 days' work and closed with 14 audits in arrears representing 88 days' work. Thirty-one new audits and 19 special audits, representing 218 days' work but not provided for in the yearly programme, were carried out in addition.

New Audits.

Name of audit.	No. of audits.	Working days for 2 men.
(*a*) Hospital Funds	23	19
(*b*) Workmen's Compensation Accounts	5	4
(*c*) Lunatics' Estates and other Charitable Trust Funds ..	2	4
(*d*) Nursing Fund	1	1
Special Audits.		
(*a*) Their Majesties' Silver Jubilee Funds	19	81
Additional days allowed for audit on account of alleged defalcations and other reasons.		
(*a*) Kalyan Taluka Local Board	Accounts audited up to date.	10
(*b*) Dharwar Municipality	Do. ..	17
(*c*) Poona City Municipality	Do. ..	37
(*d*) Additional days required for School Board and other audits due to extra work.	Do. ..	45
		218

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5. During the year the following audits were permanently added to the list of audits under the Examiner, Local Fund Accounts :—

Twenty-three Hospital Fund Audits (Government Resolution, General Department, No. 8250, dated 24th April 1935, and Office Order No. 12, dated 25th May 1935).

Seven Banking Accounts Audits (involving transactions arising out of Government monies, and Office Order No. 55, dated 6th March 1935).

Six Workmen's Compensation Accounts (Ahmedabad, Surat, Sholapur, Jalgaon, Broach, Dhulia).

One Cotton Market Committee Accounts, Amalner.

One the Morarji Gokuldas General Hospital Nursing Fund.

Two Audits of lunatics' estates and other trust funds under the District Judges (Poona and Nasik District Courts), Government Resolution, Home Department, No. 5077/3, dated 11th October 1934, and Office Order No. 43, dated 8th January 1935).

6. Cash recoveries resulting from audit amounted to Rs. 587 exclusive of recoveries called for in the course of School Board audits. Sums held under objection aggregated Rs. 34,653.

7. *Classification of Audits.*—There were 588 accounts under audit during the year. The details are in Appendix A, classified in accordance with the instructions given in the Auditor General's No. 44-Admn.-673/23, dated 10th January 1924. They are as under :—

		Number of audits.
I	Accounts the audit of which is covered by item 46 of Part II of Schedule I of the Devolution Rules	381
II	Accounts the audit of which not being covered by item 46 of Part II of Schedule I of the Devolution Rules the Government of India have left to the Provincial Government ..	207
III*	Accounts the audit of which the Government of India have left to the Auditors General ..	*Nil.*
IV*	Government Accounts	*Nil.*
	Total ..	588

PART I.

Accounts the audit of which is covered by item 46 of Part II of Schedule I of the Devolution Rules.

8. The types of irregularities detected in audit included :—

(A) Unsound Finance.

(B) Arrears of dues.

(C) Non-observance of Government orders.

* Transferred to the Outside Audit Department in 1929.

(D) Non-observance of the provisions in the Acts and Rules.

(E) Neglect of rate-payers' interest and losses resulting therefrom.

(F) Irregularities in expenditure on Public Works.

(G) Embezzlements, misappropriations, short credits, etc.

(A) *Unsound Finance.*

9. (*a*) The financial position was unsatisfactory in the following municipalities, those marked " A " being unable to meet their normal liabilities out of current income :—

Division.	District.	Name of Municipality.
Northern ..	Ahmedabad ..	Dhandhuka.
	Thana ..	Bhiwandi. Kalyan " A ".
	Surat ..	Rander.
	Kaira ..	Nadiad. Borsad " A ". Kapadvanj " A ". Dakore.
	Panch Mahals ..	Dohad.
Central ..	East Khandesh ..	Parola " A ". Savda. Yawal " A ". Faizpur " A ".
	West Khandesh ..	Sindkheda. Taloda. Betawad.
	Nasik ..	Trimbak. Sinnar. Bhagur " A ".
	Poona ..	Indapur.
	Satara ..	Rahimatpur. Wai. Satara Borough " A ". Karad.
Southern ..	Dharwar ..	Nargund.
	Kanara ..	Haliyal. Bhatkal " A ".
	Bijapur ..	Bagalkot.

For want of adequate funds the Kalyan and Faizpur Municipalities were frequently unable to pay establishment and other bills when due.

(*b*) The expenditure of the following municipalities exceeded the income during the year :—

Division.	District.	Name of Municipality.
Northern ..	Surat ..	Randor.
	Kaira ..	Nadiad. Kapadwanj. Mehmedabad.
	Panch Mahals ..	Dohad.
	Broach ..	Ankleshwar.
	Thana ..	Bassein.
Central ..	West Khandesh ..	Shirpur. Taloda.
	East Khandesh ..	Chalisgaon. Raver. Yawal.
	Poona ..	Indapur.
	Nasik ..	Bhagur. Yeola. Malegaon. Sinnar.
Southern ..	Kanara ..	Karwar. Kumta. Sirsi. Bhatkal. Gokarn.

(B) *Arrears of Taxes and Dues.*

10. The arrears of taxes and dues on the 31st of March 1935 and the percentage of arrears to total demand are given in columns 5 and 6 of the statement of assets and liabilities in Appendix B. The total arrears on that date amounted to Rs. 25·97 lakhs compared with Rs. 30·46 lakhs on 31st March 1934 and Rs. 29·93 lakhs on 31st March 1933. Arrears were mainly due to the following causes :—

(*i*) Delay in the preparation of the assessment lists and in the issue of bills and notices ; and

(*ii*) Failure to execute warrants and enforce the coercive provisions of the Act.

Out of 129 municipalities the arrears of taxes exceeded 15 and 25 per cent. of the total demand in 79 and 59 cases respectively.

11. A total sum of Rs. 9,300 was due on 31st March 1935 from certain councillors of the following municipalities :—

Division.	District.	Name of Municipality.
Northern ..	Ahmedabad ..	Ahmedabad.
	Thana	Thana.
		Bhiwandi.
	Kolaba	Matheran.
		Uran.
	Surat	Rander.
	Panch Mahals ..	Dohad.
	Bombay Suburban ..	Juhu.
Central ..	West Khandesh ..	Sindkheda.
		Shirpur.
		Betawad.
	East Khandesh ..	Yawal.
		Chopda.
		Chalisgaon.
		Savda.
	Sholapur	Pandharpur.
		Barsi.
	Satara ..	Ashta.
		Rahimatpur.
		Mhaswad.
Southern ..	Bijapur	Bijapur.
	Kanara ..	Karwar.
		Kumta.
		Sirsi.
		Honavar.
		Bhatkal.
		Gokarn.
		Halyal.
		Ulvi.
		Haveri.
		Byadgi.
		Ranebennur.
		Gudguddapur
	Dharwar ..	Gadag-Betigeri.

12. Special notice under section 28 (1) (e) of the Act was not issued to the defaulting councillors in the following municipalities :—

Division.	District.	Name of Municipality.
Northern ..	Thana	Bassein.
	Bombay Suburban District.	Juhu.
Central ..	Sholapur	Karmala
	Nasik	Sinnar.
	West Khandesh ..	Shirpur.
	Satara	Rahimatpur.
		Mhaswad.
Southern ..	Kolaba	Uran.
		Matheran.
	Dharwar	Dharwar.
		Gadag-Betigeri.
		Byadgi.
	Kanara	Karwar.
		Honavar.
		Gokarn.

Instances of irregularities under head B.

13. (*a*) *Sindkheda Municipality.*—The arrears of taxes are increasing every year. Thirteen out of 20 councillors were in arrears. Though special notices were issued no steps were taken to disqualify them.

(*b*) *Malegaon Municipality.*—The notice and warrant fees levied in the Malegaon Municipality are so low that they seem an inadequate deterrent against defaulters.

(*c*) *Honawar Municipality.*—Arrears of municipal taxes, which amounted to Rs. 2,715 at the commencement of the year, rose to Rs. 4,340 at the close thereof; and only six out of 106 warrants issued were executed.

(*d*) *Karwar Municipality.*—Arrears on account of municipal taxes have been increasing during the last three years, and they doubled during the year under review. Although not less than forty per cent. of the demand was outstanding, not a single warrant was issued; and no serious attempts were made to recover the fees in respect of which a few notices were issued.

(*e*) *Borsad Municipality.*—The assessment list was not authenticated throughout 1934-35 as some of the appeals were decided only in August 1935; and out of 248 warrants, recoveries were effected in the case of 70 only, while the other warrants were not executed. Arrears of taxes increased from Rs. 2,053 on 31st March 1934 to Rs. 4,320 on 31st March 1935.

(*f*) *Rander Municipality.*—A garden with a compound belonging to a private person was purchased by a Municipal Councillor who reported on 21st September 1933 that taxes were recoverable from the original owner up to 1931-32 and thereafter from him. Instead of recovering the taxes on this basis, the Municipality wrote off Rs. 39-9-0 due from the original owner and made no assessment on the purchasing Councillor on the ground that the land was open. Enquiries are being made why the original owner was allowed to remain so long in arrears, and also why the purchasing Councillor offered to pay taxes from 1932-33 onwards if the land was open.

(*g*) *Kurla Municipality.*—A sum of Rs. 1,46,745 on account of house tax, licence fees, and conveyance tax was written off as irrecoverable within a year and a half; and this loss is disproportionate to the income of the Municipality. It has therefore been suggested that a report indicating (*a*) whether endeavours were made to recover these amounts and (*b*) the result thereof should be made to the Commissioner for such action as is deemed necessary.

(*h*) *Ahmednagar District Local Board.*—A sum of Rs. 25,777 on account of toll dues from about 30 contractors was outstanding on 31st March 1935. A substantial portion of these arrears is as old as 1927-28. Energetic action has been suggested for the prompt recovery of these amounts.

(C) *Non-observance of Government orders.*

14. (*a*) The orders that the cost of Special Conservancy measures should be fully met from the proceeds of the Special Sanitary Cess, as prescribed in Government Resolution, General Department, No. 192, dated 3rd February 1922, were not observed by the following municipalities :—

Division.	District.	Name of the Municipality.
Northern ..	Kaira	Nadiad.
		Kaira.
	Broach and Panch Mahals.	Broach.
	Thana ..	Kalyan.
	Bombay Suburban ..	Mulund Notified Area Committee.
Central ..	Sholapur	Barsi.
	Satara	Mhaswad.
Southern ..	Kanara	Karwar.
	Belgaum	Belgaum.

(*b*) *Kaira Municipality.*—The principle that persons paying Special Sanitary Cess should also pay General Sanitary Cess, though at a reduced rate, was not observed by the Kaira Municipality.

15. (*a*) Receipts on account of wheel and toll taxes were not earmarked for expenditure on roads by the following municipalities, as required by Government Resolution, General Department, No. 6853, dated 7th June 1921 :—

Division.	District.	Name of Municipality.
Northern ..	Ahmedabad ..	Dhandhuka.
	Kaira	Dakore.
		Kapadvanj.
	Surat	Rander.
		Bulsar.
Central ..	Nasik	Trimbak.
Southern ..	Belgaum	Gokak.

(*b*) *Bulsar Municipality.*—Contrary to the provisions of Government Resolution, General Department, No. 5723, dated 10th August 1927, and instructions of audit in the past, this Municipality has been debiting to the "Road Fund" account the whole cost on account of common establishment, e.g., that of Public Works and Collection Departments and of repairs to Nakas, etc.

(*c*) *Karad Municipality.*—The Municipality has spent Rs. 4,546 out of the toll and wheel tax fund for general purposes.

16. *Kapadvanj Municipality.*—The accounts of Water Works and Drainage Schemes were not compiled in the forms prescribed in Government Resolution, General Department, No. 1001, dated 1st December 1927, nor were the figures referred to therein duly reconciled. Unspent balances were not finally disposed of, and the account of stores was not maintained on the lines suggested. Against Rs. 12,947 being the annual depreciation charges as worked out by the Consulting Public Health Engineer, Poona, the amount set apart by the Board was Rs. 4,000 only. The Board has been called upon to explain the omission to set apart the full amount as worked out by the Consulting Public Health Engineer.

17. *Dakore Municipality.*—The liabilities of the general balance to the "Pilgrim Fund" were not liquidated, and expenditure continued to be incurred out of the "Pilgrim Fund" in excess of the "*Annawaris*" fixed in Government Resolution, General Department, No. 5817-1768/1-A, dated 23rd July 1928, though correct instructions have been given in the previous audit notes.

18. *Karwar Municipality.*—This Municipality did not spend on medical relief 4 per cent. of its total expenditure as required by Government Circular No. 3334, dated 22nd September 1931.

(D) *Non-observance of provisions in the Acts and Rules.*

19. The assessment lists under sections 67 and 84 of the District Municipal and Municipal Boroughs Acts respectively were not prepared in time by the following municipalities notwithstanding the specific orders of Government in paragraph 4 of Government Resolution, General Department, No. P. 42, dated 1st July 1931, making the members personally liable for any loss incurred on account of such delays. In some cases, the quadrennial revision due under section 84 (1) of the Municipal Boroughs Act was not made at all :—

Division.	District.	Name of Municipality.	Remarks.
Northern ..	Kaira ..	Kaira ..	General revision not carried out for years together.
Central ..	Ahmednagar ..	Sangamner ..	There was a loss of Rs. 257 for 1934-35.
		Ahmednagar.	
	West Khandesh.	Betawad.	
	Nasik ..	Manmad.	
		Yeola.	
		Malegaon.	
	Satara ..	Islampur ..	Revision due in 1934-35 not done till June 1936.
		Rahimatpur ..	Revision not done since 1921.
	Sholapur .	Karmala ..	Revision not done since 1931-32.
Southern ..	Bijapur ..	Bijapur ..	Revision due in 1933-34 but not made till 1935-36.
	Kanara ..	Gokarn ..	Revision due for 1932-33 was made only in 1934-35 resulting in a loss of Rs. 550.

Instances under Head C.

20. (*a*) *Bhiwandi Municipality.*—On the advice of the Executive Engineer, Thana, the Municipality decided to empty a tank as its dirty water damaged the adjoining lands. The owners thereof filed complaint in the Court. The dispute was then compromised out of Court, the Municipality paying Rs. 101–1–0 as legal expenses and Rs. 587 as compensation to the owners. These lands were outside municipal limits and the expenditure should not have been incurred without the sanction of the Commissioner, Northern Division, as required by section 52 (*a*) (*ii*) of the District Municipal Act, 1901.

(*b*) *Kurla Municipality.*—In 129 cases, the assessment had to be increased on properties which had been previously under-assessed, and in 11 cases these properties belonged to Councillors. The position has been brought to the notice of the Commissioner for necessary action.

(*c*) *Bandra Municipality.*—A sum of Rs. 50,268 pertaining to Trust Funds was utilised for municipal and town planning purposes as the Municipality had no surplus balance.

(*d*) *Ahmednagar Municipality.*—(i) Rs. 534–11–9 on account of notice and warrant fees were remitted by the Standing Committee. The remission is not admissible under the rules and therefore the Municipality has been asked to recover the amount.

(ii) The Municipality has revised its terminal tax schedule reducing the tariff in certain cases and has put the revised schedule into operation in anticipation of Government sanction. The Municipality incurs loss of revenue by the premature adoption of this procedure.

(*e*) *Sangamner Municipality.*—(i) Contrary to the rules of the Municipality, warrant fees due on about 168 warrants were not recovered during 1934–35.

(ii) Because the Municipality was contemplating a revision of its rules the licence fees recoverable under the existing rules were not recovered, resulting in considerable loss to the Municipality.

(iii) The Municipality levied one-third and one-half of the amount of house tax on account of general and special sanitary cess as against one-half and three-fourths respectively recoverable under the sanctioned Rules. The Municipality has now been asked to recover the resultant deficit, i.e., one-sixth and one quarter of the house tax levied during 1934–35 on account of general sanitary and special sanitary cess respectively.

(*f*) *Shirpur Municipality.*—(i) A sum of Rs. 16 is being spent for repairs to a temple every year during the pilgrim season though expenditure of this nature is not specifically covered by the provision of the Municipal Act.

(ii) The President drew Rs. 65–3–0 as travelling allowance to Bombay to attend the conference of the Local Self-Government Institute though he was not deputed by the Municipality.

(*g*) *Malegaon Municipality.*—(i) The Municipality reduced the rates of wheel tax recoverable under the existing rules and thus sustained a loss of Rs. 1,154 during 1933–34. The position has been brought to the notice of the Commissioner, Central Division.

(ii) The Municipality granted a contractor exemption from the payment of octroi and toll dues on all materials imported by him for the construction of a school and other municipal buildings. As the Municipal octroi and toll rules do not permit such exemptions, the amount due has been ordered for recovery.

(*h*) *Manmad Municipality.*—As the provisions of sections 63 to 66 of the Bombay District Municipal Act were not observed in respect of the G. I. P. Railway properties, the Municipality could not enforce the recovery of taxes due on these properties for five years ending 1933–34. The resultant loss amounted to Rs. 23,836–4–0.

(*i*) *Nasik Municipality.*—A sum of Rs. 502–14–7 was spent on the ceremony of laying the foundation stone of the new office building without the requisite sanction under section 71 (*s*) of the Act.

(*j*) *Poona City Municipality.*—(i) When it was pointed out in audit notes for 1931 to 1933 that houses exempt from house tax on account of their low annual letting value were not exempt from payment of the general sanitary cess and water rate, the municipality stated that steps had been taken for recovery of these taxes. It was noticed however in 1935–36 that in 318 cases the requisite assessments had still to be made.

(ii) A clerk who had resigned from Municipal service in 1913, after serving for 6 years, applied for gratuity in 1934, i.e., 21 years after he left the service and he was paid Rs. 90 as gratuity, although under the Municipal rules as they stood in 1913 no gratuity was admissible in the case of resignation. The Municipality has been asked to recover the amount from the person concerned.

(iii) Although no gratuity was under the rules of the Municipality admissible for temporary service, a clerk borne on temporary establishment was paid Rs. 100 as gratuity. In this case also, the Municipality has been asked to recover the amount.

(iv) The head clerk to the Chief Officer, being suspended on the charge of misappropriating Municipal money, resigned and applied for a gratuity ; but before it was sanctioned, he died. The Board sanctioned the payment of gratuity of Rs. 247–8–0 as well as the Municipality's contribution to his Provident Fund. According to the rules of the Municipality the gratuity is to be paid in consideration of an employee's length of service, of the value of his past service and of his character, and therefore the payment was in all probability not in order.

(*k*) *Sholapur Municipality.*—The Municipality has been supplying water to the Railway Loco and Traffic Department at annas eight instead of at annas twelve per 1,000 gallons as required under rule 7 of the Water Tax Rules. A sum of Rs. 2,599–4–0 foregone by the Municipality during 1934–35 has been ordered to be recovered.

(*l*) *Satara Municipality.*—Though the Chief Officer recommended enhancement of the assessment on several buildings to which substantial additions or alterations had been made, the Standing Committee, without assigning any reasons, decided not to take action on these recommendations. It was also noticed that though the house owners or the tenants intimated the actual rents received or paid by them, the tax levied was much less than that leviable on the basis of information available on the Municipal records.

(*m*) *Bijapur Municipality.*—(i) A gratuity of Rs. 254-3-3 was paid to the widow of a servant who died of snake bite. The payment was irregular under the rules of the Municipality. Irregular payments of other kinds have been pointed out for the last three years.

(ii) An assessment list prepared by a Revision Officer in December 1933 was not brought into force till 1936–37. Houses completed from 1933–34 onwards were not assessed for house tax even up to March 1936, while certain older houses were found not assessed at all. Assessments on the buildings in which the Municipal dispensary and some schools are accommodated were based on considerably lower rental value than the rents paid for portions of them by the Municipality itself.

(*n*) *Hubli Municipality.*—The amended rules for the levy of licence fees were sanctioned in Government Resolution, General Department, No. S. 91-(103), dated 8th May 1934 and could have been brought into force from 1st October 1934 ; but the new scales of fees were actually introduced from January 1935, resulting in an avoidable loss of revenue to the extent of Rs. 400 for the quarter.

(*o*) *Malwan Municipality.*—Contrary to the provisions of section 40 (4) (*b*) of the District Municipal Act of 1905 tenders for the supply of materials in excess of Rs. 250 for repairs to three roads estimated to cost Rs. 4,482, Rs. 1,979 and Rs. 1,000 respectively were approved and contracts sanctioned by the Managing Committee. Though a Councillor, the Secretary and the President informed the Managing Committee of the illegality of their action and asked them to obtain the Board's sanction, the Committee maintained they had full powers in the matter and allowed the works to be carried out without obtaining the necessary sanction. On the President's threatening to stop payment to the contractor, the Board appointed an Enquiry Committee which never met and which after six months was dissolved by the Board on the ground that no useful purpose would be served by the enquiry.

(*p*) *Gudguddapur (Temporary) Municipality.*—On the recommendation of the Collector of Dharwar, the Commissioner, Southern Division, sanctioned cattle fees to be recovered during the fairs held in June, October and February ; but the fees are still being recovered only at the October fair, even after it was pointed out in the previous year that they were to be recovered at all the three fairs. The non-observance of the procedure has resulted in avoidable loss of revenue.

(*q*) *Haliyal Municipality.*—Rs. 17-6-0 were spent on entertaining guests who attended the Local Bodies Conference for considering the non-levy of tolls by municipalities of conveyances on Provincial roads.

The expenditure was not sanctioned by the Collector under section 56(*m*) of the Act.

(*r*) *Mahad Municipality.*—The Municipality spent Rs. 43 in connection with the visit of the Honourable the Minister for Local Self-Government without the *previous* sanction of the Collector required under section 56 (*m*) of the Act.

(*s*) *Sholapur District Local Board.*—Contrary to rule 19 of the Provident Fund Rules laying down a minimum period of 5 years for the payment of the Boards' contribution, the late Engineer of the Board who had put in only 4 years and 10 months was paid this contribution of Rs. 1,265-9-0 on the ground that as he had resigned the service he was entitled to it under rule 15. Though in view of the conflicting meanings in rules 15 and 19 the Sub-Committee appointed for the purpose suggested a reference to the Remembrancer of Legal Affairs, the amount was paid without making such a reference. Pending legal decision the amount has been objected to in audit.

(*t*) *Bijapur District Local Board.*—Though under clause (*a*) of rule 19 of the rules framed under section 133 (*h*) of the Local Boards Act, the appointment of an unqualified Chief Officer cannot exceed 3 months, the Accountant of the District Local Board, Bijapur, who did not possess the requisite qualifications, was appointed Chief Officer from 20th December 1934 to 11th August 1935. The excess payment at Rs. 60 per mensem for the above period has been ordered for recovery.

(*u*) *Malegaon Taluka Local Board.*—Rs. 669-10-0 were paid to a piece-work contractor of the Board in compromise of a suit he filed against the Board for his estimated loss resulting from the cancellation of a piece-work contract he had undertaken for the construction of the new Taluka Local Board Office. Under the rules, the Board is competent to terminate a piece-work contract at any time and therefore the payment sanctioned by the Board is irregular. The Commissioner, Central Division, has been requested to recover the loss sustained by the Board from the members who sanctioned the amount in question.

(E) *Neglect of Rate-payers' Interests and Losses resulting therefrom.*

21. (*a*) *Ranpur Municipality.*—The Board authorised a Committee specially appointed in connection with the regulation of markets to secure a strip of land on long lease up to an annual rental of Rs. 50. Instead of securing such a plot, the Board accepted an offer for the lease of a building belonging to the *Panjrapole* on payment of Rs. 120 for one year from two Councillors who were also the administrators of this institution. There was no demand from the mercantile community for the shops and the Board had ultimately to sublet this building for the unexpired period at Rs. 75 per annum incurring avoidable loss of Rs. 45.

(*b*) *Umreth Municipality.*—On the ground that the valuation contained several mistakes (the revised assessment of house tax, the preparation of which involved expenditure of Rs. 314-15-0 to the Board), was not introduced.

(c) *Kapadvanj Municipality.*—Through not framing rules imposing on owners liability for various municipal taxes and dues, the Board has been obliged to write off heavy accumulations of arrears every year.

(d) *Jambusar Municipality.*—This Municipality is lighting several private streets at Municipal cost. Even though the irregularity has been pointed out repeatedly in the past, no action has yet been taken to discontinue this practice.

(e) *Godhra Municipality.*—In spite of the fact that the ownership of a particular plot of land and the suitability thereof for the construction of a school were still under discussion, the Board decided to build a school on that site, and incurred expenditure of about Rs. 352 for excavating earth. Subsequently the Collector asked the President not to proceed with the construction. The contract for the work was, therefore, cancelled. A surcharge under section 10 (*b*) of the Local Fund Audit Act is under consideration.

(f) *Surat Municipality.*—(i) The Light Inspector reported in May 1932 that an Electric Light Company had not put in or replaced tubular poles and thus violated the terms of their contract. After a prolonged controversy, the matter has been settled by a fresh agreement. The excess payment by the Municipality to the Company on account of this action of theirs has been calculated at Rs. 2,640 which has been proposed for recovery from the Company.

(ii) The Standing Committee on its own initiative, i.e. without any demand from either the Chief Officer or the Engineer and apparently without any urgent necessity, authorised the Chief Officer to purchase paving stones up to Rs. 5,000. This decision to buy a lump quantity put the Municipality to an avoidable excess expenditure of Rs. 227–15–0 besides Rs. 80 on account of cartage.

(g) *Thana Municipality.*—The Municipality accepted the higher of the two tenders noted below for the supply of bullocks and bullock carts for the removal of night soil :—

	Pair of bullocks.	Carts with two bullocks.
	Rs. a. p.	Rs. a. p.
First Contractor	1 2 0	1 14 0
Second Contractor.. ..	0 14 0	1 7 0

This was done in spite of the fact that the second contractor had rendered satisfactory services in the past. The Collector called for an explanation and the Board regretted its mistake. As the action of the Municipality resulted in an excess expenditure of Rs. 391–11–0, the desirability of recovering the loss from the Councillors responsible for accepting the higher tender has been suggested.

(h) *Dhulia Municipality.*—(i) The Municipality substituted electric lights for kerosene lamps without entering into a contract with the electric company. It is now doubtful whether the most economical terms will be secured for the Municipality.

(ii) The Municipality incurred expenditure of Rs. 196–7–0 on hiring tongas for members to make short journeys of inspection and for insignificant objects such as inspection of dust bins for which the sanitary staff is responsible.

(*i*) *Shirpur Municipality.*—(i) Though in the interest of the ratepayers Government had decided to supersede the Municipality, the Councillors incurred expenditure of Rs. 488–10–0 to wait on the Honourable Minister for Local Self-Government.

(ii) On the allegation that an ex-President had intentionally furnished a false return regarding the rental values of his own properties, a criminal complaint was lodged against him by the Municipality without making proper enquiry. The Court found the accused not guilty and acquitted him. The Municipality spent Rs. 1,107–5–6 in connection with this suit. It has been suggested that the full facts of this case should be reported to the Collector for consideration with a view to see whether the amount should not be recovered from persons responsible for this avoidable expenditure.

(iii) New houses were not assessed with the result that the Municipality incurred a loss of Rs. 221.

(*j*) *Nasik Municipality.*—Rs. 347–8–0, being arrears of wheel-tax, were written off as irrecoverable, because the Municipality incorrectly assessed wheel-tax on motor buses plying between Nasik and other towns instead of subjecting them to toll. Out of the present arrears of Rs. 26,439 on account of wheel-tax a sum of Rs. 18,774 is now considered irrecoverable. Had the proper procedure of levying toll been observed, there would have been no arrears and the amount would not have been lost to the Municipality.

(*k*) *Poona City Municipality.*—A building was rented for housing a Municipal School on seven years' lease on condition that the Municipality should give the owner 6 months previous notice if the house was to be vacated. As a new school building of the Municipality was under construction and was expected to be ready for occupation within 6 months, a notice of vacating it was given to the owner on 1st August, but the house could not be vacated on the expiry of the notice as the new building was not ready. The result was that the Municipality had to pay Rs. 1,050 to the owner of the old premises after it had vacated them.

(*l*) *Talegaon-Dabhade Municipality.*—Without making enquiries regarding the lawful owner of the building, the Municipality paid a rent of Rs. 20 per mensem for one year to a person whose title to ownership was questioned. The rightful owner having filed a suit, the Court ordered the parties to pay the plaintiff *mesne* profits of Rs. 20 per mensem from 1st February 1934 and costs amounting to Rs. 378–12–0 since the real owner had sold the property to the plaintiff and the person to whom the Municipality paid rent was only a tenant of the original owner. The Board has been requested to fix responsibility for this avoidable loss and recover it from persons concerned.

(*m*) *Ashta Municipality.*—(i) A person filed two civil suits for injunction to prevent the Municipality firstly from repairing the road adjoining his house and secondly from dismantling that portion of his house which was constructed over the masonry work of a Municipal well. The first case was decided in his favour while the second was compromised by the Municipality on the ground that the Board's resolution No. 16, dated 30th January 1935, was improper, illegal and based on personal enmity. It was also decided that legal expenses amounting to Rs. 39–14–0 should not be recovered by the Municipality from this person.

(ii) Though the Managing Committee permitted a person on 14th July 1933 to construct walls on his old foundations, the Board withdrew the permission on 14th February 1934 with the result that this person filed a suit against the Municipality. The Board decided on 31st July 1934 to defend the suit but when the personnel of the Board was changed, the Municipality compromised this case and decided not to recover any of the Court expenses from him. The expenditure of Rs. 67–12–0 incurred by the Board in defending the suit was therefore avoidable.

(*n*) *Karad Municipality.*—(i) The Municipality entrusted the construction of a new building to a contractor at a certain percentage below estimated rates. A revised estimate was prepared while the work was in progress, but as the contractor objected to the percentage deductions being made from the rates in the revised estimate, the matter was referred to arbitrators, whose award, however, the Municipality did not accept. The contractor, therefore, filed a civil suit which was decided in his favour. The Municipality was obliged to pay a sum of Rs. 92–10–0 as costs to the plaintiff and had to spend also a sum of Rs. 78 in defending the suit. There was thus infructuous expenditure amounting to Rs. 170–10–0 as the agreement entered into by the Board was defective.

(ii) On account of a misunderstanding that the work of replacing and laying out water pipes etc., could not be carried out by the Water Works Committee without the sanction of the Board, the Vice-President stopped the execution of the work. The Chairman of the Water Works Committee after obtaining an injunction from the Court preventing the President from obstructing the work, completed the whole work ; but the President refused to pay the contractors, who filed suits against both the President and the Chairman for Rs. 239. The Municipality had to spend Rs. 111 to defend the President in the suit filed by the Chairman. The position has been brought to the notice of the Commissioner.

(iii) The Collection Clerk submitted a report on the outstandings of Rs. 5,800 on account of market and other rents on 25th April 1931 and this report was forwarded by the President to the Managing Committee on 20th March 1932 but the report was not considered by the Committee till 6th February 1936. As a result of this delay, recovery of Rs. 968 became time-barred. The recovery of this amount from the persons responsible for the delay has been suggested.

(iv) The Municipality filed a civil suit against a party for the rent of shops leased to him for five years but the suit was dismissed with costs because the rent note had not been registered. Rs. 22–4–0 were spent in conducting the suit, Rs. 13–11–0 were paid as costs to the party and Rs. 170–11–9 originally due as rent will have to be written off. The recovery of the total amount of Rs. 206–10–9 from those responsible for the irregularity has been suggested.

(*o*) *Sholapur Municipality.*—(i) The Municipality lost a sum of Rs. 1,618 due to the non-recovery of water-tax since 1931–32 on a 3/4″ pipe connection given to the proprietors of a Cinema and on a 1″ connection given to a bungalow. For the latter, tax at Rs. 25 per mensem had not been recovered from February 1921 ; and it was not till a report about repairs to this connection was received in December 1933 that the Tax Department came to know of the existence of this connection. As no bills and notices had been issued previously, the Board on the advice of the Municipal pleader compromised the claim and recovered only Rs. 350 out of Rs. 1,800 due for the 6 years ending 1934–35.

(ii) According to the agreement, dated 9th February 1934, with a Hume Pipe Company, the Municipality undertook to take 5,400 R.ft. of 33″ pipes and 320 R.ft. of 21″ pipes for the extension of the outfall sewer, a provision for which was made in the loan scheme of 18 lakhs then under consideration. According to clause 5 of the agreement the Municipality undertook to pay interest at 5 per cent. per annum on the unpaid balance of the price of pipes from a date six months after the date of the agreement (*viz.* 9th February 1934). After taking 3,760 R.ft. of 33″ pipes and 272 R.ft. of 21″ pipes the Board on 11th April 1934 ordered stoppage of further supplies as the work of the outfall sewer could not be taken up, the question of loan being undecided. Owing to delay in the payments in accordance with the conditions of the contract a sum of Rs. 599–11–4 on account of interest had unnecessarily to be paid to the Company on 19th October 1935.

(iii) Land acquisitions made under section 114 of the Act for road widening during the last decade failed to indicate either a definite programme or an effective implementing of the policy that should govern such acquisitions. 249 road lines were sanctioned during this period and Rs. 1,62,513 spent for acquiring about 256 houses and lands, but no single road line appears to have been completed. The anomalous features of the acquisitions are :—

(*a*) Acquisitions of properties in the middle of a road line without any attempt to acquire others which are essential to complete them ;

(*b*) Acquisitions made and road lines changed thereafter to suit them ;

(*c*) Delay in completing a road line ; and

(*d*) Increase in valuation invariably whenever the Chief Officer's valuation is adjudicated by a *Panch*.

(iv) Though the lease of Municipal land occupied by a Cinema did not expire till 31st March 1937, the Board sanctioned a fresh lease at Rs. 2,500 per annum for seven years including the unexpired portion of the current lease, ignoring the offer of Rs. 3,000 per annum by another Company for the same site.

(*p*) *Pandharpur Municipality.*—An avoidable loss of Rs. 577–6–0 was incurred by the payment of penal interest to Government for the non-payment of water supply bills from June 1932 to September 1933.

(*q*) *Sangamner Municipality.*—(i) A sum of Rs. 64–8–0 due to the Municipality on account of a decree passed against a Municipal Councillor and office-bearer was rendered irrecoverable as no prompt action was taken to execute the decree.

(ii) For want of quick action the recovery of a sum of Rs. 1,569–9–0 advanced to six petty contractors in 1928–29 became time-barred and irrecoverable.

(iii) Owing to the irregular dismissal and suspension of some of the employees, and to delay in the disposal of questions relating to the service of the members of its establishment, the Municipality has been involved in considerable litigation costing about Rs. 1,050. Some of the suits are still pending in the Civil Courts.

(*r*) *Betawad Municipality.*—(i) The Municipality has been purchasing stationery and lighting requisites from the shop of the President without calling for tenders or comparing the rates of other dealers.

(ii) The President and the Secretary drew travelling allowance of Rs. 49–4–0 to attend the Court in connection with an election application against the President, who was a party in his personal capacity.

(*s*) *Yeola Municipality.*—(i) On the strength of a Municipal resolution to purchase two bullocks for rubbish carts, the members deputed for the purpose purchased four stud bullocks for breeding purposes at a cost of Rs. 492. Three of these bullocks died soon after the date of purchase. The Municipality has been asked to recover this amount from the persons who incurred the expenditure in contravention of the instructions of the Municipality.

(ii) Even though the number of bullocks purchased was four, railway charges for five animals were paid from the Municipal funds. The fifth animal (a cow) was brought by a member of the party deputed for the purchase. The Municipality has been asked to recover Rs. 13 from the person concerned.

(*t*) *Belgaum Municipality.*—Although the Standing Committee decided in their resolution No. 790, dated 28th August 1933 to recover the cost of missing articles worth Rs. 65 from the Storekeeper, the amount was not recovered.

(*u*) *Gokak Municipality.*—(i) In respect of rent of lands leased out for a period exceeding seven years, no Demand and Collection Register was prepared, nor were the dues recovered,

(ii) In the Demand and Collection Register of rent of lands temporarily leased out, the demand of rent for 1934–35 was not shown in 13 cases. The explanation for this omission was that though the term of lease expired a month or two before 1st April 1934, and the lands continued in the possession of the lessees, neither the Board nor the Managing Committee had taken up the questions of renewing the leases and of fixing the amount of rent to be charged.

(*v*) *Nipani Municipality.*—According to the orders of the Sub-Judge, Chikodi, the Municipality paid on 12th July 1932 a sum of Rs. 3,335 as damages to two teachers for having dispensed with their services in the A. V. School before the expiry of the period mentioned in their agreements. In the appeal made by the Municipality the District Court reversed the order of the lower Court, but no steps have yet been taken to recover the amount from the teachers concerned.

(*w*) *Bijapur Municipality.*—The Standing Committee accepted the recommendation of a Councillor to increase the rents of certain lands from Rs. 23 to Rs. 90 but on the application of the lessees and under instructions from the President that it would be inadvisable to enhance the rates arbitrarily after they had occupied the sites, the Standing Committee confirmed the original rents.

(*x*) *Dharwar Municipality.*—(i) On several charges alleging " serious mal-administration of the Municipal affairs and an utter disregard of the tax-payers' money " for which the President and other office-bearers were responsible, the Commissioner in his comments on the audit notes for 1931–32 and 1932–33 (*vide* his No. Adt. 11-2 dated 9th June 1936) has called for a report from the Collector and the result is awaited.

(ii) Large amounts were spent by the Municipality on fees to pleaders who were all Municipal Councillors. In view of the liberal payments to such Councillors, the Collector of Dharwar pointed out to the Municipality that pleader Councillors should not be engaged. A proposal that in cases in which members themselves are engaged on behalf of the Municipality no fees should be paid, was placed before the Board but was not approved.

(*y*) *Byadgi Municipality.*—(i) Several houses in front of the Municipal Office were acquired on the recommendation of the Secretary at a cost of nearly Rs. 3,000 for no recorded reasons.

(ii) The Municipality spent Rs. 194–1–0 on the acquisition of a piece of land for boring a well for the people of the locality, but no well has been sunk during the last three years.

(*z*) *Hubli Municipality.*—The Commissioner has directed the Municipality to retrench 15 posts specified by him on grounds of extravagance but the Municipality resolved on 2nd October 1935 to retrench only seven posts. The position has been reported to the Commissioner for final orders.

(*aa*) *Panvel Municipality.*—Three contractors quoted different rates for the supply of metal and murum. The question was to be considered on 16th May 1934. But the Board adjourned consideration of the matter.

Meanwhile, a fourth contractor appeared and the Board in their meeting on 20th May 1934 divided the contract equally among all the four contractors at the rates quoted by the fourth contractor which were the highest. The extent of loss to the Municipality will be seen from the following table :—

Original rates.	Metal.	Hard Murum.	Soft Murum.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
First Contractor	5 14 0	2 14 0	1 4 0
Second Contractor	5 11 0	3 0 0	1 12 0
Third Contractor	5 12 0	2 8 0	1 8 0
Fourth Contractor	6 8 0	3 0 0	1 12 0

(*bb*) *East Khandesh, District Local Board.*—Notwithstanding the contractor's own admission dated 6th November 1933 that the traffic remains generally closed during every rainy season, the Board remitted Rs. 978 as loss alleged to have been incurred by the contractor due to the stoppage of entire traffic during the rains from July to September 1933. This remission being unjustifiable the amount has been ordered for recovery.

(*cc*) *Nasik District Local Board.*—The Professional Tax introduced by the Board from 1st April 1934 was not recovered, resulting in a recurring loss of Rs. 40,000 every year.

(*dd*) *Kolaba District Local Board.* The Board spent Rs. 111 in advertising for tenders for the construction of a foot-bridge over the Ulhas river near Karjat for which plans and estimates for Rs. 7,000 had been prepared by the Engineer. When the contractors submitted their tenders none of them was accepted as the estimates were found to be incorrect and required revision. It has been brought to the notice of the Board that the expenditure incurred was infructuous.

(*ee*) *Matar Taluka Local Board.*—The Secretary of a "Mandal" promised a contribution equal to one-third of the cost for boring a well at Navagam. The Board, before actually receiving the contribution, incurred an expenditure of Rs. 704-4-0. The contribution was not paid, and no action, except the issue of a reminder to the Secretary was taken by the Board.

(*ff*) *Olpad Taluka Local Board.* In spite of repeated remarks, the stipulations in contract agreements regarding time limits, were not duly enforced with the result that the Board lost about Rs. 50 on a road work.

(*gg*) *Khanapur* (*Vita*) *Taluka Local Board.*—An estimate for Rs. 162 was sanctioned by the Board in 1932-33 for repairs to the well at Raygaon but the work was not done, as a result of which the well collapsed during the rains in 1933. A revised estimate of Rs. 239 was therefore

prepared in 1934-35. The additional avoidable expenditure of Rs. 77 had to be incurred because the Board did not attend in time to a work of urgent necessity.

(*hh*) *Tasgaon Taluka Local Board.*—The lowest tenders were not accepted in many cases on the ground that those tendering the lower rates had not executed former works properly. These very contractors were however entrusted with other similar works by the Board.

(F) *Irregularities in the expenditure on Public Works.*

22. With very few exceptions the maintenance of Public Works accounts was found to be defective in almost all municipalities. Irregularities of these types were frequent :—

(*i*) Works were executed without proper plans and estimates ;

(*ii*) Measurements were not properly recorded and no Measurement Books were kept in some municipalities ;

(*iii*) A schedule of rates was not prepared and sanctioned by the Board ;

(*iv*) Stock accounts were either not maintained at all or were not correctly written up ;

(*v*) Tenders were not invited by open competition ; and if invited, lowest tenders were sometimes not accepted without recorded reasons.

(*vi*) Registers of works for watching the progress of expenditure from beginning to end were not maintained ;

(*vii*) Allocation of work done by departmental labour was not recorded ; and

(*viii*) Contract bonds were not executed in accordance with the requirements of the Act.

23. (*a*) *Rander Municipality.*—The stock account of metal was negligently maintained. Though the Secretary's report of 13th July 1934 showed that metal lying on the river bank was washed away, the stock account did not show this loss. Many figures in the stock account were found to have been overwritten.

(*b*) *Surat Municipality.*—The schedule of rates indicated striking difference when compared with the rates in the estimates, which were unduly high. The dates in the diaries of Public Works Officers and those in the Measurement Book did not agree.

(*c*) *Poona City Municipality.*—(i) In several cases, excess expenditure was incurred without the previous sanction of the Standing Committee.

(ii) In many instances, sanction to deviations from the sanctioned estimates was not obtained on the ground that the actual cost did not exceed the sanctioned provision.

(*d*) *Tasgaon Municipality.*—Hard murum worth Rs. 37-4-0 was collected on the Tasgaon-Aranda Road in February and March 1935 but no corresponding entry was traceable in the stock account, and there was no evidence to show that it was spread on the road surface.

(*e*) *Karmala Municipality.*—Though the Municipality spent about Rs. 7,000 on Public Works during 1934–35, it was difficult to audit the expenditure in the absence of sanctioned estimates, completion certificates and proper measurements. The defects in recording public works expenditure were brought to notice so far back as 1925–26 but no adequate action was taken to remedy these defects.

(*f*) *Dharwar Municipality.*—The following defects continued :—

(1) The amounts provided in the estimates were exceeded without record of what extra items of work were executed;

(2) Muster Rolls were prepared without showing the outturn of work;

(3) Works in several cases were started without estimates and in some instances much earlier than ordered by the Chief Officer. Measurements of materials supplied were taken long after their use and payment to suppliers;

(4) No definite scheme of works to be executed was prepared; and

(5) Large works were carried out for years without any record of the expenditure incurred or of the measurements of works.

(*g*) *Thana District Local Board.*—According to his agreement a contractor should have completed the construction of a Bridge by the end of June 1934, but the Board held that the contractor was not carrying out the work according to the programme. The Executive Engineer, Thana District, in his Inspection Note dated 2nd April 1934 reported that progress was comparatively slow and some drastic action should be taken to expedite completion. The Board then entrusted the completion of the work to the Standing Committee, which engaged the same contractor as a piece-worker in which capacity also his work was found unsatisfactory. The result was that the Board was put to an estimated loss of Rs. 10,000. The recovery of this loss from the contractor or his surety is awaited.

(*h*) *Sholapur District Local Board.*—Owing to the failure of a contractor to complete the work of special repairs to roads within the stipulated period notwithstanding extensions of time allowed to him, the Board undertook the work departmentally as a result of which there was an avoidable loss of Rs. 615–10–0. The Board merely fined the contractor Rs. 5 as penalty, but the loss incurred by the Board has also been ordered for recovery.

(*i*) *Satara District Local Board.*—The masonry work of the causeway on the Khanapur-Tasgaon Road was raised by 10″ by the contractor without any authority from the Board, and the Engineer reported on 16th August 1934 that as a result of this a portion of the causeway would be washed away. This actually happened on 29th September 1934 and a supplementary estimate for Rs. 1,336 was prepared for additional work to protect the work already done. Recovery of this unnecessary expenditure from the contractor has been suggested.

(*j*) *Kolaba District Local Board.*—The plying of a ferry between Korlai and Revdanda transferred by Government to the Board was stopped as another ferry was started by the Janjira State from State territory to Revdanda. The contractor withdrew from the contract without paying anything, and the Board realised by running the ferry departmentally Rs. 35–1–0 only during the whole year, thus suffering a loss of Rs. 964–15–0 out of the contract amount of Rs. 1,000. The Board however ignored this loss and entered into an agreement with the State authorities for the year 1935–36 that a moiety of the ferry proceeds should be transferred to the Board. If the legality of the Board's dealings with the State is established, the Board will be asked to consider whether it should claim half the ferry proceeds for 1934–35 from the date the State began to run the ferry, under Order No. 2 of Chapter VII of the Manual of the Bombay Ferries Act, 1868.

(*k*) *Barsi Taluka Local Board.*—Though Rs. 154 and Rs. 27 were spent for the special repairs for the cattle pound at Pangri and Yedeshi respectively and the works were completed in January 1934, both the buildings collapsed within six months after the repairs. The position has been brought to the notice of the Board for enquiry and disciplinary action against the persons responsible for bad work.

(*l*) *Yellapur Taluka Local Board.*—Materials which were purchased far in excess of requirements as far back as in 1926–27 were neither used nor actually in stock. The question of responsibility for the loss has been referred by the Taluka Local Board to the District Local Board and is still under correspondence.

(G) *Embezzlements, Misappropriations, Short Credits, etc.*

24. (*a*) *Juhu Municipality.*—A Collection Clerk by recovering money without issuing receipts to the parties, and by issuing one kind of receipt for another, misappropriated during December 1935 and January 1936 municipal money amounting to Rs. 126–12–0. This amount has been made good, and a suggestion has been made to the Municipality to take legal proceedings against the clerk.

(*b*) *Bandra Municipality.*—In checking the stock account of terminal tax receipts books, one book was found missing; and it was noticed that the matter was the subject of an enquiry then conducted by the Chief Officer into a defalcation committed by a temporary terminal tax clerk. On 12th December 1934 the Tax Superintendent reported that while the originals of two receipts were issued for one rupee each, the office copies were written out for four and two annas respectively, which were actually credited to the Municipal treasury. The Naka Karkun was prosecuted and sentenced to a day's imprisonment and a fine of Rs. 50 or two months' further imprisonment in default. These cases were not reported either to the Board or to the Examiner, Local Fund Accounts, as required by rule 32 of Bombay Local Fund Audit Rules, 1931.

(c) *Poona City Municipality.*—(i) It was noticed that 3 coolies were shown in the Muster Roll as having worked on daily wages for 31 days during April 1934 and paid accordingly. The matter was reported to the Municipal Engineer, who, in his enquiry, found out that wages of the 3 coolies for one day were drawn in excess and misappropriated by the overseer in charge of the work. He also discovered in his enquiry that the 3 coolies were paid wages for 6 months (May to October 1934) although they were not engaged on the work and that the amount of Rs. 221–4–0 drawn on their account by preparing false Muster Rolls was misappropriated by the overseer in charge of the work. The amount of Rs. 221–4–0 and the wages of the 3 coolies for one day in April were recovered and the overseer in charge of the work was dismissed from Municipal service by the Standing Committee. The question whether the overseer in charge of the work, who misappropriated money by preparing false musters, should be prosecuted has yet to be decided by the Board.

(ii) The Shirestedar to the Municipal Engineer misappropriated Rs. 6,382–12–8 by (*a*) omitting to bring to account sums collected from the public and drawn from the Municipal treasury; (*b*) omitting to remit to the Municipal treasury the sums certified in his day book as having been so remitted; and (*c*) carrying forward wrong balances in his day book. This misappropriation, which was noticed during audit, was facilitated by a lack of control over the Shirestedar's work. The Engineer did not even once verify at the time of signing remittance chalans that the amount remitted on the previous chalan (the chalans are in bound books of 100 pages each) actually reached the Treasurer. The Shirestedar was convicted and sentenced to 2 years' hard labour and a fine of Rs. 1,000 which, if recovered, is to be credited to the Municipality. The questions of deciding (1) who should be held responsible for the loss of Rs. 6,382–12–8, and (2) what steps should be taken to recover the amount are still under the consideration of the Board.

(d) *Pandharpur Municipality.*—(i) Several irregularities including tampering with Municipal records were noticed in the Octroi Department, for which two clerks have been suspended by the Chief Officer from 12th October 1935 pending enquiries

(ii) Though the Octroi Inspector had secured from local commission agents a list of 34 persons who had imported goods from neighbouring villages in April 1935 without payment of octroi, no action was taken up to January 1936, while the proposals of some members of the Standing Committee to report the cases to the C. I. D. for investigation were disregarded. Under instructions from the Collector however the case is now under police investigation.

(e) *Chembur Notified Area Committee.*—(i) On 22nd January 1936 Rs. 563–8–8 were shown in the Cash Book as having been sent to the Bank, but no corresponding credit entry appeared in the Bank Pass Book. The sum was recovered from the Secretary and sent to the Bank on 20th February 1936.

(ii) In another case, a cheque for Rs. 13-8-0 on account of certain dues received, was credited in the " Cash " column of the receipt side of the Cash Book. It was subsequently remitted to the Bank for realisation, when it was entered in the " Cash " column of the payment side, and in the " Bank " column of the receipt side, of the Cash Book. The cheque was, however, dishonoured at the Bank and was, therefore, entered in the " Bank " column on the payment side of the Cash Book, but was not, as it should have been, entered in the " Cash " column on the receipt side of the Cash Book. Consequently the balance as per Cash Book was reduced to that extent. Further, as no prompt measures were taken to recover the amount of the cheque from the party concerned, the Secretary was held responsible for the default and hence the amount was recovered from him and remitted to the Bank on 29th February 1936.

A criminal prosecution was instituted against the Secretary who was sentenced to one day's simple imprisonment and a fine of Rs. 100.

(*f*) *Dharwar District Local Board.*—A Sanitary Inspector of the Board misappropriated Rs. 100 by preparing false musters of men alleged to have been engaged during the fair. Though the President dismissed him and ordered that his Provident Fund share should not be paid to him until further orders, the case was not reported to the Board for considering the question of his prosecution. Nor was any report sent to the Examiner, Local Fund Accounts, and the Collector of Dharwar, as required by rule 32 of the Bombay Local Fund Audit Rules.

(*g*) *Kalyan Taluka Local Board.*—On a surprise verification of the Taluka Local Board cash balance on 5th August 1935, the Chief Officer of the District Local Board found a shortage of Rs. 1,644-1-2. The Chief Officer lodged a complainat with the Police, who filed a complaint against the clerk responsible, who was sentenced to 18 months' rigorous imprisonment and a fine of Rs. 500.

(*h*) *Bassein Taluka Local Board.*—The Cattle Pound Keeper of Kaman appears to have been misappropriating Cattle Pound monies from 1927-28; but it was not until 11th January 1933 that the Board discovered this fact. The cattle pound keeper had manifestly misappropriated about Rs. 50 due in respect of cattle impounded by the beat-guards of the Forest Department alone. The Board resolved to recover Rs. 120 as compensation from the man but not to prosecute for want of clear proof. The desirability of reconsidering their decision and of prosecuting the Cattle Pound Keeper has been suggested to the Board.

(*i*) *Khanapur* (*Vita*) *Taluka Local Board.*—No account registers were maintained by the Cattle Pound Keeper at Bhud in 1931-32, for which no explanation could be furnished. He however credited Rs. 5-12-0 on 19th September 1934 when he was asked to produce immediately the counterfoil of the receipts against which he had collected the amount. These counterfoils however have not yet been produced for inspection.

25. The following cases of minor embezzlements were also noticed in the accounts for 1934-35 :—

Name of Municipality.	Nature of fraud.	Amount involved.	Action taken.
		Rs. a. p.	
1. Viramgam ..	Misappropriation by the Chief Sanitary Inspector and the Light Inspector owing to the absence of supervision over the accounts maintained by the Sanitary Department.	129 3 6	The question of the prosecution of the employee is under consideration.
2. Dohad ..	Misappropriation by a peon in the Collection Department.	*	The peon was fined rupee one only.
3. Raver ..	The Pound Keeper recovered Rs. 10-4-0 as pound fines but Rs. 2-12-0 only were credited to the Municipality.	7 8 0	The Pound Keeper is not in service now.
4. Nasik ..	A licence fee clerk of the Municipality recovered licence fees, etc., without passing receipts for them and credited the amounts at later dates.	148 8 0	The clerk was prosecuted and sentenced to 4 months' rigorous imprisonment and fined Rs. 51. He has been dismissed from Municipal service.
5. Nadiad Taluka Local Board.	Misappropriation by a Mukadam of amounts given by the office clerk for disbursement of wages to labourers.	12 1 0	The amount was recovered from the Mukadam and his services were dispensed with.
6. Bandra ..	(*a*) Issue of false receipts by a temporary Terminal tax clerk.	1 10 0	(*a*) The matter was under enquiry by the Chief Officer but it was not reported by the Board to the Examiner as required by rule 32 of the Bombay Local Fund Audit Rules, 1931.
	(*b*) A rate-payer demanded a refund for paying a tax twice.	*	(*b*) The Naka Karkun was sentenced to one day's imprisonment, and a fine of Rs. 50.
7. Barsi ..	Out of 48 gallons of petrol paid for on 3rd November 1934, 32 gallons only were brought to account.	*	The Municipality has been asked to enquire into this shortage.

*Amounts not known.

Name of Municipality.	Nature of fraud.	Amount involved.	Action taken.
		Rs. a. p.	
8. Sholapur ..	A shortage of nearly 8 tins of kerosene oil in the water works account.	*	The matter has been reported to the President for appropriate action.
9. Amalner ..	The cost of a night soil cart was drawn on 23rd August 1934 but was not traceable in the accounts till 4th October 1934 when the actual payment appears to have been made.	291 2 0	The matter is under enquiry.
10. Rander ..	Recoveries by the Town Daroga on 11th January 1935 were not credited till 15th March 1935.	5 2 0	The matter is under enquiry.

* Amounts not known.

Irregularities relating to School Board Accounts.

26. (*a*) *Kaira District School Board.*—The following irregularities were noticed :—

(*i*) Absence of prescribed checks over the bills presented for payment ;

(*ii*) Excess payments of travelling allowances ;

(*iii*) Expenditure in excess of budgeted allotments and on works not duly sanctioned ; and

(*iv*) Regular tenders were not invited for the purchase of various kinds of materials and in some cases were accepted in anticipation of Board's sanction.

(*b*) *Amalner Municipal School Board.*—The Municipality had to pay Rs. 27,563 to the School Board. This amount was shown as drawn in the Municipal accounts but the School Board's accounts showed a credit of Rs. 22,563 only. On investigation it was found that a sum of Rs. 5,000 drawn in the name of the Chief Officer had been misappropriated. The Chief Officer and two other Municipal servants were sentenced to 18 months' imprisonment and a fine of Rs. 1,000 each.

(*c*) *West Khandesh District School Board.*—The cash balance of a Taluka Master was verified by the Administrative Officer on a surprise visit on 10th January 1935 and was found short by Rs. 167–11–0. The question of disciplinary action is under consideration of the Board.

(*d*) *Gadag Municipal School Board.*—Fees from scholars were not recovered promptly, and the Board wrote off dues to the extent of Rs. 2,355–14–0 without taking any action against persons responsible for the non-recovery of fees.

PART II.

Accounts the audit of which not being covered by item 46 of Part II of Schedule I of the Devolution Rules the Government of India have left to the Provincial Government.

27. (*a*) *University of Bombay.*—Some of the Senators who were also members of the Legislative Council preferred their travelling allowance bills as for journeys from their headquarters to Bombay and back for attending Senate meetings during the Council sessions, when they were actually residing in Bombay or Poona. A sum of Rs. 402 irregularly drawn on this account has been ordered for recovery.

(*b*) *Sheriff of Bombay.*—Audit detected that interest on the investment of unclaimed Bhatta and Diet Money accounts was being credited to a private account, viz., the " Office Fund Account " (which is maintained mainly for the benefit of the staff) since 1900. Government ordered in Government Resolution, Home Department, No. 6980/3, dated 11th March 1936, the stopping of this irregular practice and the crediting of interest to the respective funds. This has resulted in a recurring income to Government of Rs. 234 per annum. Orders of Government regarding the disposal of the " Office Fund " are awaited.

(*c*) *Administrator General and Official Trustee.*—Against the security of properties worth about a lakh of rupees but already encumbered to the extent of Rs. 70,000 in a certain estate, the Administrator General allowed overdrafts to the estate from his general fund to increase from year to year from 1928 till the overdraft reached Rs. 65,000 in 1935. The insolvency of this estate was pointed out to Government in this office No. L. 24/847, dated 7th June 1935. Steps are under consideration to wind up this estate and to reduce the loss which is estimated at about Rs. 50,000. The question of taking disciplinary action against the individual responsible for the irregularity is under consideration of Government.

(*d*) *Minors' Estates under the management of the Deputy Nazir, Thana.*—Rs. 54 recovered by the Estate Clerk on 7th December 1934 were not credited till 3rd January 1935. The clerk concerned has now resigned and stricter supervision has been suggested.

(*e*) *Minors' Estates under the management of the Deputy Nazir, Karwar.*—A pleader who was entrusted with the conduct of suits which pertained to nine estates of minors in Honavar Taluka had submitted no accounts of the recoveries made by him for the last eight years. He had utilised the moneys which belonged to one estate for conducting suits connected with the estates of eight other minors. The delay in taking accounts from the pleader and in the settlement of his dues resulted in the following complications :—

(1) The pleader's claims to fees amounting to Rs. 35-11-0 for conducting suits connected with the estates of two ex-wards could not be settled as their estates have already been released from management.

(2) The estate papers could not be made over to two of the wards who had been declared majors before payment of the pleader's fee amounting to Rs. 125-6-8 due from them.

(*f*) *Estates under the Collector and Court of Wards, Kolaba District.*—No budget was prepared for one estate for the year under audit and the arrears outstanding were in excess of the current demand.

(*g*) *Estate under the management of the Collector and Court of Wards, Thana.*—The progress of recoveries of the debts due to one estate on promissory notes executed by the debtors was slow. The arrears of garden revenues represent more than 150 per cent. of the average annual demand. Special measures have been suggested for the prompt recovery of the dues.

(*h*) *Estates under the management of the Collector and Court of Wards, West Khandesh.*—Large loans have been advanced from one estate under Government management to two others under the same management. The fact that there is little prospect of recovery of the loans in the near future is brought to notice.

PART III.

The accounts the audit of which the Government of India have left to the Auditor General.

28. No accounts under this head are under my audit.

PART IV.

29. No Government accounts were audited during the year.

SUMMARY.

30. Of the 28 Municipalities whose financial position was considered unsound in 1934-35, nine were unable to meet their liabilities and 22 exceeded their income during the year. The arrears of taxes and other dues decreased to Rs. 25·97 lakhs from the Rs. 30·46 lakhs reported last year. Dues totalling Rs. 9,300 were outstanding against Councillors. In spite of the clear orders of Government, the Special Sanitary Cess was not made self-supporting in nine Municipalities; and receipts on account of Wheel and Toll Taxes were not reserved for expenditure on roads by seven municipalities. The list of misapplication of funds given in paragraphs 24 and 25 is fairly heavy. Perfunctory and dilatory disposal of audit notes was common, and most of the defects reported in paragraph 20 of the 1934-35 Annual Report continued during the year under review. The assessment lists of most Municipalities were not ready before the commencement of the year they related to. The provision in the Municipal Acts for the disqualification of members on the issue of a special notice for non-payment of dues to the Municipality was not observed in 15 Municipalities. There were several cases of

losses resulting from (1) want of prompt action in the recovery of dues, (2) non-enforcement of taxation rules and (3) unauthorised reductions in the taxation schedules. Even though various local bodies were spending increasingly large amounts on Public Works, the accounts relating thereto, particularly the Measurement Books and the Register of Works were in an unsatisfactory condition. Advances were freely given to contractors; and, in most cases, the penal clause for non-fulfilment of contracts by prescribed dates was not enforced. In several cases, the lowest tenders were not accepted and no reasons recorded for not accepting them. The accounts of the Provident Funds also were far from satisfactory. There was usually no evidence to indicate that they had been checked by a person other than the original compiler or test-checked by a responsible officer. The balances of certain Funds were not properly invested. Several municipalities which are near important Railway Centres and have various financial relations with them have not paid adequate attention to their mutual rights and obligations.

31. The condition of the accounts of District Local Boards and School Boards was fairly satisfactory. The most serious irregularity in Part II is that mentioned in paragraph 27 (c).

I have the honour to be,
Sir,
Your most obedient servant,

(Signed) R. V. TRIVEDI,
Examiner, Local Fund Accounts.

APPENDIX A.

CLASS I.—Accounts the audit of which is covered by item 46 of Part II of Schedule I of the Devolution Rules :—

Municipalities	129
Notified Area Committees	12
District Local Boards	20
Taluka Local Boards	159
District Local Authorities	20
Municipal Local Authorities	35
Cantonment Local Authorities	6
	381

CLASS II.—Accounts the audit of which not being covered by item 46 of Part II of Schedule I of the Devolution Rules, the Government of India have left with the Provincial Governments :—

Public Conveyance Funds and receipts under Arms Act ..	20
Workmen's Compensation	22
Wards and attached estates	19
Accounts of minors under Nazir and Deputy Nazir	17
	78

Medical Funds.

Nursing Associations	17
Kolaba District Maternity and Infant Welfare Association ..	1
Medical Schools at Poona and Ahmedabad	2
K. B. P. S. Dispensary, Poona	1
N. M. Wadia Dispensary, Khandala	1
Bechardas Dispensary, Ahmedabad	1
Infectious Diseases Hospital, Poona	1
Co-operative Hospital, Hubli	1
Indian Women's Aid Society Hospital, Hubli	1
Hospital Funds and Hospital Maintenance Funds	23
	49

Trust Funds.

D. P. I.'s Trust Funds (in 1938-39)	....
Sirsangi Navalgund Trust Fund	1
Sir Sassoon David Trust Fund	1
Ahmednagar Famine Relief Trust Fund	1
	3

Educational and Industrial Institutions.

Malwan Desai High School	1
Matunga David Sassoon Reformatory	1
Matunga V. J. Technical School	1
J. J. School of Art	1
	4

Ports and Marine Funds.

Northern and Southern Group Ports Fund	1
Landing and Wharfage Fee Fund	1
	2

High Court Audits.

Administrator General (2 half-yearly audits)	2
Official Trustee (2 half-yearly audits)	2
Official Assignee (2 half-yearly audits)	2
Insolvency Registrar (2 half-yearly audits)	2
Registrar, Appellate Side (2 half-yearly audits)	2
Prothonotary and Senior Master (2 half-yearly audits) ..	2
Sheriff of Bombay (2 half-yearly audits)	2
Taxing Master (2 half-yearly audits)	2
Master and Registrar in Equity (2 half-yearly audits).. ..	2
	18

Miscellaneous.

Kharaghoda Horse Fund	1
Lunatics and other Trust Funds	5
His Majesty's Silver Jubilee Funds	19
Bombay Board of Film Censors	1
Bombay Soldiers' Board	1
Presidency War Relief Fund	1
Indian Institute of Science	1
College of Physicians and Surgeons	1
Bombay Medical Council	1
Prince of Wales Museum	1
Boys' Scouts Association	1
Local Self-Government Institute, Bombay	1
Ahmedabad Queen Victoria Jubilee Memorial Fund	1
Bombay University and School Leaving Examination Board ..	1
Bombay Family Pension Fund of Government Servants (2 half-yearly audits)	2
Belgaum Maratha War Memorial Fund	1
Treasurer, Charitable Endowments	1
Chemical Analyser	1
Indian Law Reports	1
West Khandesh Cotton Market Fund, Dhulia	1
Amalner Cotton Market Committee	1
Surat Joint Board of Management, Hope Bridge	1
Lady Wilson Village Maternity Association, Poona	1
Mahableshwar Motor Vehicles Fund	1
Mahableshwar M. G. General Hospital Fund	1
Lord Harris Travelling Dispensary Fund, Ahmedabad ..	1
Relief Fund formed from the balances of Agricultural Show Journey Fund, Surat	1
The Dhadhar and Narbada Flood Relief Fund, Broach ..	1
Mehmedabad Agricultural Association	1
Palgar Peace Celebration Funds	1
	53
Total audits ..	588

CLASS III.—Accounts the Audit of which the Government of India have proposed to leave with the Auditor General :—

Nil.

CLASS IV.—Government Accounts :—

Nil.

APPENDIX B.

Statement of Liabilities, Assets, Arrears of Taxes and Dues, etc.

District.	Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.	Percentage of arrears of taxes to total demand.
Northern Division.		Rs.	Rs.	Rs.	
Ahmedabad ..	Ahmedabad ..	54,22,587	79,87,688	3,05,941	
	Dholka ..	14,970	19,294	1,989	
	Viramgaon ..	453	7,783	4,526	
	Prantij ..	6	3,668	2,355	
	Modasa ..	730	6,208	3,945	
	Dhanduka ..	6,367	3,015	614	
	Sanand ..	200	9,126	4,045	
	Ranpur ..	299	4,022	1,277	
Kaira ..	Kaira ..	315	5,261	2,387	16·2
	Mehmedabad	992	3,669	3,330	31·9
	Umreth ..	168	9,721	7,632	28·1
	Anand ..	303	16,446	1,798	7·2
	Borsad ..	7,915	7,163	6,499	29·3
	Dakore ..	9,397	10,546	5,194	18·7
	Kapadwanj ..	45,906	31,020	13,361	14·7
	Nadiad ..	59,719	76,874	20,031	24·3
Broach and Panch Mahals.	Godhra ..	22,265	44,457	18,580	4·86
	Dohad ..	2,408	4,990	4,141	15·8
	Broach ..	21,616	49,452	4,280	0·31
	Ankleshwar ..	467	11,953	2,145	27·54
	Jambusar ..	82	15,746	29	13·03
Surat ..	Surat ..	52,740	5,50,397	1,75,957	20·6
	Rander ..	22,433	26,355	17,945	24·9
	Bulsar ..	7,680	18,207	921	1·2
Thana ..	Thana ..	5,489	1,26,922	76,829	23·8
	Kalyan ..	452	58,903	29,688	35·9
	Bassein ..	23,850	16,418	11,001	45·8
	Bhiwandi ..	12,888	27,746	24,015	54·6
Bombay Suburban.	Bandra ..	2,04,983	2,62,848	1,70,654	
	Kurla ..	50,407	3,53,062	2,49,867	
	Vile Parle ..	10,634	56,405	13,320	
	Ghatkopar-Kirol.	18,374	71,122	5,672	
	Juhu ..	*Nil.*	12,413	1,207	
Central Division.					
Ahmednagar ..	Ahmednagar ..	7,095	1,01,149	69,607	27
	Sangamner ..	7,432	37,150	15,825	48
	Carried over ..	63,41,622	1,00,47,099	12,76,907	

District.	Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.	Percentage of arrears of taxes to the total demand.
		Rs.	Rs.	Rs.	
Brought	forward ..	63,41,622	1,00,47,099	12,76,907	
Central Division —contd.					
East Khandesh ..	Jalgaon ..	89,529	1,10,612	43,779	21·67
	Bhusawal ..	19,497	95,154	33,777	25·38
	Amalner ..	51,346	69,776	15,985	7·11
	Yawal ..	9,335	17,938	14,769	41·66
	Faizpur ..	453	11,511	9,065	43·75
	Raver ..	739	23,098	2,793	26·80
	Parola ..	5,337	12,357	8,695	19·99
	Savda ..	19,318	21,026	2,970	36·33
	Chopda ..	3,043	27,035	14,483	46·67
	Dharangaon ..	1,752	28,640	9,959	29·07
	Erandole ..	1,530	25,626	5,458	15·56
	Chalisgaon ..	1,714	74,109	27,771	52·51
West Khandesh ..	Dhulia ..	86,484	2,59,546	51,430	23·58
	Nandurbar ..	5,368	89,894	7,272	10·66
	Shahada ..	21,894	31,057	271	....
	Shirpur ..	*Nil.*	44,031	9,336	38·3
	Taloda ..	8,916	2,712	166	2·23
	Sindkheda ..	6,404	8,287	5,947	48·16
	Betawad ..	5,471	8,290	5,290	52
Nasik ..	Nasik ..	1,03,312	2,69,883	1,27,834	39·65
	Yeola ..	5,845	26,033	18,080	45·70
	Malegaon ..	2,137	51,447	28,307	37·3
	Sinnar ..	11,186	12,962	6,593	60·13
	Igatpuri ..	581	51,899	2,711	11·79
	Trimbak ..	47,863	16,829	2,261	22·57
	Nandgaon ..	800	24,085	6,548	69·75
	Bhagur ..	7,955	8,016	1,158	31·99
	Manmad ..	1,700	28,831	11,969	60·74
Poona ..	Poona City ..	2,68,563	5,15,107	1,24,650	11·63
	Poona Suburban.	34,944	1,46,833	6,694	8·04
	Lonavla ..	42,121	22,185	33,517	20·3
	Saswad ..	7,156	11,320	1,353	17·2
	Jejuri ..	27,099	20,347	11,385	47·0
	Baramati ..	11,897	31,359	12,357	25·77
	Indapur ..	9,248	7,140	4,171	25·77
	Sirur ..	7,646	32,572	3,343	11·8
	Talegaon Dabhade.	5,832	5,741	5,082	31·0
	Alandi ..	39,231	37,298	1,985	4·8
	Junnar ..	2,561	15,858	2,328	30·1
Satara ..	Satara City ..	14,871	80,474	31,965	43·3
	Satara Suburban.	1,416	24,225	245	7·5
	Ashta ..	54	21,859	14,148	66·3
	Carried over ..	73,33,770	1,24,70,101	20,04,807	

District.	Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.	Percentage of arrears of taxes to the total demand.
		Rs.	Rs.	Rs.	
Brought forward ..		73,33,770	1,24,70,101	20,04,807	
Central Division—concld.					
Satara—*contd.* ..	Islampur ..	8,285	22,299	8,722	49·31
	Karad ..	40,085	54,640	38,455	47·79
	Mahabaleshwar.	112	60,231	223	0·8
	Mhaswad ..	4,280	7,820	3,756	27·7
	Panchgani ..	2,400	20,438	6,032	27·09
	Rahimatpur ..	6,977	6,473	1,038	41·0
	Tasgaon ..	3,693	16,836	866	7·9
	Vita ..	6,498	10,295	115	....
	Wai ..	13,059	11,864	1,292	1·68
Sholapur ..	Sholapur ..	7,11,251	7,25,783	58,396	10·2
	Barsi ..	1,06,272	1,52,706	21,603	25·1
	Karmala ..	7,902	47,656	1,569	13·3
	Pandharpur ..	70,328	51,262	19,664	14·1
	Sangola ..	*Nil.*	6,989	356	8·4
Southern Division.					
Belgaum ..	Belgaum ..	33,707	88,353	16,843	19·78
	Nipani ..	8,946	36,095	5,324	14·23
	Athni ..	16,183	9,160	8,467	42·85
	Gokak ..	1,915	19,381	13,059	56·18
	Saundatti Yellamma.	11,465	43,421	4,252	38·75
	Bailhongal ..	*Nil.*	19,198	8,994	54·74
Bijapur ..	Bijapur ..	91,338	1,82,601	60,003	32·65
	Bagalkot ..	4,909	57,262	5,203	11·87
	Guledgudd ..	3,937	16,338	2,208	15·32
	Ilkal ..	3,555	44,164	552	5·42
Dharwar ..	Dharwar ..	55,246	2,10,055	1,33,821	57·00
	Hubli ..	1,25,947	1,87,307	44,429	18·91
	Nargund ..	11,965	10,936	4,990	49·00
	Gadag Betigeri.	3,972	48,038	20,778	19·15
	Haveri ..	2,061	33,167	9,712	45·48
	Navalgund ..	16,493	24,260	5,069	35·65
	Byadgi ..	18,351	19,256	3,754	29·23
	Ranebennur ..	22,190	33,837	1,399	4·32
	Gudgudapur ..	*Nil.*	2,736	730	....
Kanara ..	Karwar ..	5,662	20,423	6,909	31·70
	Kumta ..	9,947	18,358	1,539	61·01
	Sirsi ..	29,811	67,791	1,277	8·46
	Carried over ..	87,92,512	1,48,57,530	25,26,206	

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on 11 July, 2017

District.	Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.	Percentage of arrears of taxes to the total demand.
	Brought forward ..	Rs. 87,92,512	Rs. 1,48,57,530	Rs. 25,26,206	
Southern Division —contd.					
Kanara—*contd.*	Halyal ..	24,201	7,399	744	7·69
	Honawar ..	1,213	27,665	4,341	56·58
	Bhatkal ..	6,189	5,034	2,402	41·47
	Gokarn ..	1,350	2,460	1,259	82·80
	Ulvi ..	1,043	3,854	*Nil.*	....
Kolaba ..	Alibag ..	1,806	23,886	1,927	11·50
	Mahad ..	5,804	31,651	12	0·13
	Matheran ..	22,232	1,87,316	5,358	9·35
	Panvel ..	4,470	22,307	11,784	32·70
	Pen ..	1,101	4,729	2,531	19·35
	Roha Ashtami.	20	7,931	3,465	4·40
	Uran ..	200	14,174	11,424	44·09
Ratnagiri ..	Ratnagiri ..	740	12,625	10,163	57·73
	Chiplun ..	2,761	59,645	808	11·01
	Malwan ..	*Nil.*	53,629	9,283	99·54
	Vengurla ...	18,406	25,194	5,640	37·28
	Total ..	88,84,048	1,53,47,029	25,97,347	

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